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BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
OF THE STATE OF CALIFORNIA

In the Matter of:	)	CFL FILE NO. 603-K646
	)	
THE COMMISSIONER OF BUSINESS	)	STIPULATION TO ENTRY OF DESIST AND
OVERSIGHT,	)	REFRAIN ORDER, ISSUANCE OF
	)	REFUNDS, AND PAYMENT OF PENALTIES
Complainant,	)	
	)	
v.	)	
	)	
QUARTERSPOT, INC.,	)	
	)	
Respondent.	)	
	)	
	)	

In consideration of the application filed by QuarterSpot, Inc. (Respondent) for a license under the California Finance Lenders Law (CFLL) (Fin. Code, § 22000 et seq.), this Stipulation to Entry of Desist and Refrain Order, Issuance of Refunds, and Payment of Penalties (Stipulation) is entered into by and between the Commissioner of Business Oversight (Commissioner), on the one hand, and Respondent, on the other hand (Parties).

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This Stipulation is made with reference to the following facts:

B. Lance Christopher Emanuel is the President and a control person of Respondent and, as such, is authorized to enter into this Stipulation on behalf of Respondent.

D. During the Commissioner's review of the application, it was disclosed that, through inadvertence or error, Respondent had engaged in unlicensed finance lender activity in this state commencing in July 2013. Respondent immediately ceased making loans in this state upon being informed of the licensing requirement by the Commissioner in November 2013.

E. The Commissioner is of the opinion that during the period of July 31, 2013 through November 19, 2013, Respondent engaged in the business of a finance lender in this state by making at least 22 loans without first obtaining a license from the Commissioner, then in effect, or being otherwise exempt, in violation of Financial Code section 22100.

F. It is the intention and desire of the Parties to resolve this matter without the necessity of a hearing and/or other litigation.

NOW, THEREFORE, for good and valuable consideration, and the terms and conditions set forth herein, the Parties agree as follows:

1. Respondent stipulates to the issuance of the Desist and Refrain Order issued pursuant to section 22712, in the form attached hereto as Exhibit A, directing Respondent to desist and refrain from engaging in the business of a finance lender in this state in violation of Financial Code section 22100. Respondent agrees that the delivery by certified mail of the executed Desist and Refrain Order issued by the Commissioner to the address set forth in Paragraph A above shall constitute valid service of the Desist and Refrain Order.

2. Respondent hereby waives all rights to any hearing or appeal of the Desist and Refrain Order.

3. The Commissioner shall issue a CFLL license to Respondent within 30 calendar days after receipt of the following:

(a) Satisfactory evidence that Respondent has refunded all usurious amounts charged to California borrowers in excess of the 10 percent interest rate allowed under article 15, section 1 of the California Constitution during the period that Respondent did not have a CFLL license, then in effect, in the sum of \$57,655.19; and,

(b) Payment of a \$1,000.00 penalty for each of 22 unlicensed loans in the sum of \$22,000.00 in the form of a cashier's check made payable to the "Department of Business Oversight."

Respondent shall submit the evidence of refunds and penalty payment required pursuant to this paragraph to the attention of Miranda LeKander, Senior Counsel, Enforcement Division, at the Department of Business Oversight located at 1515 K Street, Suite 200, Sacramento, California, 95814.

4. Refunds issued pursuant to Paragraph 3 shall be sent to the borrower with the accompanying notice: "Pursuant to an agreement entered with the California Department of Business Oversight, a refund or adjustment in the amount of \$xxx.xx is being made for your benefit. If you have any questions concerning this refund, please contact QuarterSpot, Inc. at (800) XXX-XXXX."

5. Satisfactory evidence of the refunds required pursuant to Paragraph 3 shall include, at a minimum, the following for each and every loan: (i) the borrower's loan number, name, last known address, loan amount, loan date, interest charged; (ii) date of issuance of refund check; and, (iii) evidence of refund in the form of a copy of the refund check or ACH deposit and accompanying correspondence sent to the borrower.

6. Respondent shall be responsible for ensuring that any outstanding refund payment required by Paragraph 3(a) above is escheated to the State of California pursuant to the provisions of the California Unclaimed Property Law (Code of Civ. Proc., § 1500 et seq.).

1           7.       Respondent agrees that failure to timely comply with the conditions set forth in  
2 Paragraph 3 within 45 days of execution of this Stipulation, as such date is set forth in Paragraph 13,  
3 shall result in summary denial of Respondent's application for a CFLL license.

4           8.       Respondent acknowledges that remedies for violations of the CFLL are not exclusive  
5 and may be sought and employed in any combination to enforce the purpose and provisions of this  
6 law.

7           9.       Respondent agrees that nothing in this Stipulation shall preclude the Commissioner, or  
8 her agents or employees, to the extent authorized by law, from assisting or cooperating in any  
9 investigation and/or action brought by any other federal, state or county agency. Respondent further  
10 agrees that this Stipulation shall not bind or otherwise prevent any other federal, state or county  
11 agency from the performance of its duties.

12          10.      Respondent has had the opportunity to obtain the advice of legal counsel, and enters  
13 into this Stipulation voluntarily and without coercion and acknowledges that no promises, threats or  
14 assurances have been made by the Commissioner or any officer, or agent thereof, about this  
15 Stipulation.

16          11.      Respondent acknowledges that this Stipulation and the Exhibit attached thereto are  
17 public records.

18          12.      Respondent and the Commissioner agree that this Stipulation may be executed in one  
19 or more separate counterparts, each of which when so executed, shall be deemed an original. Such  
20 counterparts shall together constitute and be one and the same instrument.

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1           13.     This Stipulation shall not become effective until signed by all parties and delivered by  
2 the Commissioner's agent by email to Respondent at lance@quarterspot.com.

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4 Dated: 10/21/15

JAN LYNN OWEN  
Commissioner of Business Oversight

5  
6 By \_\_\_\_\_  
7 Mary Ann Smith  
8 Deputy Commissioner

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10 QUARTERSPOT, INC.

11 Dated: 10/19/15

12 By \_\_\_\_\_  
13 Lance Christopher Emanuel, President  
14 On behalf of QuarterSpot, Inc.